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Proposed Attorneys for Debtor Naartjie Custom Kids, Inc.

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF UTAH, CENTRAL DIVISION**

In re:

NAARTJIE CUSTOM KIDS, INC.,

Debtor.

Case No. _____

Chapter 11

Judge _____

**DEBTOR'S MOTION FOR INTERIM AND FINAL ORDERS (I) PROHIBITING
UTILITY COMPANIES FROM DISCONTINUING, ALTERING, OR REFUSING
SERVICE TO THE DEBTOR ON ACCOUNT OF PRE-PETITION INVOICES,
(II) APPROVING THE DEBTOR'S PROPOSED FORM OF ADEQUATE ASSURANCE
OF FUTURE PAYMENT, (III) ESTABLISHING PROCEDURES FOR RESOLVING
REQUESTS FOR ADDITIONAL ADEQUATE ASSURANCE, AND
(IV) SCHEDULING A FINAL HEARING**

Naartjie Custom Kids, Inc. ("Naartjie" or "Debtor"), the debtor in possession in the above captioned bankruptcy case, by and through its proposed counsel, submits this motion (the "Motion") for entry of an emergency order substantially in the form submitted herewith (the

“Order”) pursuant to sections 105(a) and 366 of title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the “Bankruptcy Code”), (i) prohibiting utility companies from discontinuing, altering, or refusing service to the Debtor on account of pre-petition invoices, (ii) approving the Debtor’s proposed form of adequate assurance of future payment, (iii) establishing procedures for resolving requests for additional adequate assurance, and (iv) scheduling a final hearing. This Motion is supported by the *Notice of Hearing on First Day Motions* (the “Omnibus Notice”), and the *Declaration of Jeff Nerland in Support of Chapter 11 Petition and First Day Motions* (the “Omnibus Declaration”), filed concurrently herewith and incorporated by reference. In further support of the Motion, the Debtor states as follows:

JURISDICTION AND VENUE

1. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding under 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The statutory bases for the relief requested herein are sections 105(a) and 366 of the Bankruptcy Code.

BACKGROUND

3. On the date hereof (the “Petition Date”), the Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of Utah (the “Court”).

4. No trustee, examiner, or official committee of unsecured creditors has been appointed in this case. The Debtor is operating its business as a debtor-in-possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

5. Founded in Cape Town, South Africa in 1989, Naartjie is a children's clothing brand that embraces bright, colorful, kid-friendly clothes. Naartjie designs, manufactures and sells children's clothing, accessories and footwear for ages newborn through 10 years old.

6. Naartjie opened its first store in the United States in March 2001, currently owns and operates eighty-two retail stores in the United States and South Africa, and has a rapidly expanding e-commerce business serving customers in over thirty countries worldwide. Today, Naartjie's corporate headquarters are located in Salt Lake City, Utah, with merchandising headquartered in Burlingame, California and the Naartjie Design Studios and South African retail operations in Cape Town, South Africa. Naartjie's net sales for the fiscal year ended on February 1, 2014 were \$54.4 million.

7. The events leading up to the Petition Date and additional facts and circumstances supporting the relief requested herein are set forth in the Omnibus Declaration.

RELIEF REQUESTED

8. By this Motion, the Debtor seeks entry of an Order (i) prohibiting the Utility Companies (as defined below) from discontinuing, altering, or refusing service to the Debtor on account of pre-petition invoices; (ii) approving the Debtor's proposed form of adequate assurance of post-petition payment within the meaning of section 366 of the Bankruptcy Code and determining that the Utility Companies have been provided with adequate assurance; (iii) establishing procedures for resolving requests for additional or different adequate assurance of payment; and (iv) scheduling a final hearing to consider entry of the Final Order (the "Final Hearing").

9. In connection with the operation of its business, the Debtor incurs utility expenses in the ordinary course of business for, among other things, water, electricity, gas, internet, telephone, and similar utility products and services (collectively, the “Utility Services”) from various utility companies (the “Utility Companies”) covering a number of utility accounts. A non-exhaustive list of the Utility Companies is attached hereto as **Exhibit A**.¹

10. Uninterrupted utility services are essential to the Debtor’s ongoing operations and, therefore, to the success of the Debtor’s chapter 11 efforts. Any interruption of Utility Services, even for a brief period of time, would negatively affect the Debtor’s operations, customer relationships, and revenues and profits, seriously jeopardizing the Debtor’s reorganization efforts, and ultimately value and creditor recoveries. It is therefore critical that Utility Services continue uninterrupted during this Chapter 11 Case.

11. Pre-petition, on average, the Debtor spent approximately \$721,000 annually for various Utility Services, with an average monthly cost of approximately \$60,000.

12. The Debtor intends to pay post-petition obligations owed to the Utility Companies in a timely manner. To provide additional assurance of payment for future Utility Services to the Utility Companies, the Debtor proposes to deposit, within ten (10) business days following entry of the Order granting this Motion, a utility deposit (the “Adequate Assurance Deposit”) equal to the estimated aggregate cost for two weeks of Utility Service plus an additional \$10,000,

¹ Although the Debtor believes that the Utility Companies listed in Exhibit A include all of its utility providers as of the Petition Date, it is possible that Certain Utility Companies may have been inadvertently omitted from this list. Accordingly, the Debtor reserves the right, pursuant to the terms and conditions of this Motion and without further order of the Court, to supplement or amend Exhibit A to add any Utility Companies that were inadvertently omitted and to request that the relief requested herein apply to all such entities. Additionally, the listing of an entity on Exhibit A as a Utility Company is not an admission by the Debtor that such an entity is a “utility” within the meaning of section 366(a) of the Bankruptcy Code. The Debtor reserves the right to argue that any of the entities now or hereafter listed in Exhibit A are not “utilities” within the meaning of section 366(a) of the Bankruptcy Code.

calculated based upon the Debtor's average utility costs from January 2013 through December 2013. Based on this methodology, the total amount of the Adequate Assurance Deposit will be \$40,000.00. The chart attached hereto as **Exhibit A** reflects, among other things, the identity of each currently known Utility Company, their address and the type of utility. The Adequate Assurance Deposit will be placed into a single, segregated, newly-created, interest-bearing account (the "Adequate Assurance Deposit Account"). The Adequate Assurance Deposit shall be held in the Adequate Assurance Deposit Account for the benefit of the Utility Companies during the pendency of this Chapter 11 Case.²

13. The Debtor proposes to establish the Adequate Assurance Deposit Account, in accordance with the terms and conditions of the Debtor's proposed post-petition credit facility and the proposed form of order granting this Motion attached hereto, in the amount of \$40,000, which amount is equal to the charges incurred by the Debtor for approximately two weeks of Utility Services from all of the Utility Companies plus an additional \$10,000. The Adequate Assurance Deposit Account will be established by segregating the funds into a separate account at Wells Fargo Bank, N.A. ("Wells Fargo"), to be administered in accordance with the Order. The Adequate Assurance Deposit Account would serve as a cash security deposit to provide adequate assurance of payment for Utility Services provided to the Debtor post-petition.

14. In the event the Debtor fails to timely pay for post-petition Utility Services when due in accordance with normal pre-petition invoice terms, a Utility Company would be permitted to submit a payment request (the "Payment Request"), substantially in the form attached hereto

² The Debtor further asserts that any Adequate Assurance Deposit required by, and deposited into, the Adequate Assurance Deposit Account on behalf of any Utility Company pursuant to the procedures described herein be returned to the Debtor upon further order of this Court or confirmation of a plan, if not applied or returned to the Debtor earlier.

as Exhibit B, to Wells Fargo in the amount of the due but unpaid charges for post-petition services, rounded to the nearest \$100.00. The Payment Request requires that the Utility Company: (i) certify that the Debtor defaulted (a “Default”) in the payment for post-petition utility services and that the post-petition amounts due on the account of such utility services are outstanding and unpaid; (ii) certify that the amount requested is not and does not relate to a request for additional adequate assurance of payment; (iii) provide Wells Fargo with wire transfer or other payment instructions, as more fully set forth in Exhibit B; and (iv) simultaneously send a copy of the Payment Request to the Debtor and its counsel (which Payment Request shall require that the Utility Company certify that there was a Default) and provide the Debtor with a five (5) day period to cure any default before processing a Payment Request.

15. Provided that a Payment Request complies with the above conditions, any payments made from the Adequate Assurance Deposit Account shall be made by Wells Fargo in the order that the Payment Requests were actually received by Wells Fargo.

16. The segregated nature of the Adequate Assurance Deposit Account provides concrete assurance of the Debtor’s payment and of its future obligations to the Utility Companies. Such assurance alone satisfies the requirements of Section 366 of the Bankruptcy Code for adequate assurance payments. Through the date that the Order is entered approving this Motion, the Adequate Assurance Deposit Account shall be maintained with a minimum balance equal to the estimated aggregate cost for two weeks of utility service plus \$10,000, as calculated above.

17. Given the nature of the Debtor's business, uninterrupted utility services are essential to the Debtor's ongoing operations, and, therefore, to the success of the Debtor's Chapter 11 efforts. Indeed, any disruption to the Debtor's service locations by virtue of the cessation of Utility Services by the Utility Companies could bring the Debtor's operations to a grinding halt. Should one or more of the Utility Companies refuse or discontinue service even for a brief period, the Debtor's operations would be severely disrupted. Such an interruption would severely damage customer relationships, revenues and profits, and would adversely affect the Debtor's chapter 11 efforts, to the detriment of its estate, creditors, and employees. It is therefore critical that Utility Services provided to the Debtor continue uninterrupted.

**PROCEDURES FOR RESOLVING REQUESTS FOR ADDITIONAL
ADEQUATE ASSURANCE OF PAYMENT**

18. The Debtor also seeks to establish reasonable procedures by which Utility Companies may request additional adequate assurance of payment in the event that a Utility Company believes that the Adequate Assurance Deposit does not provide them with satisfactory adequate assurance (the "Procedures"). The Debtor proposes that the Court approve and adopt the following Procedures:

- a. Absent any further order of this Court and except as otherwise provided herein, the Utility Companies may not alter, refuse, or discontinue service to, or discriminate against, the Debtor on account of the commencement of this Chapter 11 Case or on account of any unpaid pre-petition charges, or request payment of an additional deposit or receipt of other security in connection with any unpaid pre-petition charges.

- b. The Debtor will serve the Motion and the Order, if granted by the Court, via first-class mail, within two (2) business days after the date that the Order is entered by the Court, on each of the Utility Companies identified on Exhibit A attached hereto. In the event that any Utility Company was omitted from Exhibit A, the Debtor shall have the right to supplement Exhibit A and shall promptly serve the Order upon such omitted Utility Company upon learning of such Utility Company (each such Utility Company is referred to herein as a “Subsequently Identified Utility Company”).
- c. Any Utility Company that is not satisfied with the proposed Adequate Assurance Deposit and seeks additional assurance of payment must serve a request for additional assurance of future payment (an “Additional Payment Request”) no later than (i) the date that is five (5) calendar days before the date of the Final Hearing, or (ii) in the case of Subsequently Identified Utility Companies, the date that is fourteen (14) days after the date such Utility Company receives notice (in either case, such date is referred to as the “Additional Payment Request Deadline”) by serving a request upon (i) the Debtor; and (ii) proposed Counsel to the Debtor, Dorsey & Whitney LLP, 136 South Main Street, Suite 1000, Salt Lake City, Utah, 84101, Attention: Annette Jarvis, Esq.
- d. Any Additional Payment Request must: (i) be in writing, (ii) set forth the location for which Utility Services are provided, (iii) include a summary of the Debtor’s payment history relevant to the affected account(s), including any security deposits or other prepayments or assurances previously provided by the Debtor,

(iv) describe in sufficient detail the reason(s) why the proposed treatment afforded pursuant to the procedures set forth herein does not constitute satisfactory adequate assurance of payment, and (v) include a proposal for what would constitute adequate assurance from the Debtor, along with an explanation of why such proposal is reasonable.

- e. If a Utility Company makes a timely Additional Payment Request that the Debtor believes is reasonable, the Debtor shall be authorized, in its sole discretion, to comply with such request without further order of the Court, and may, in connection with such Additional Payment Request, provide such Utility Company with additional adequate assurance of future payment, including, but not limited to, cash deposits, prepayments, and other forms of security, without further order of the court.
- f. If the Debtor believes that a Utility Company's Additional Payment Request is not reasonable, (i) the Debtor will request that the Court hear such Additional Payment Request at the Final Hearing or, (ii) if the party making the Additional Payment Request is a Subsequently Identified Utility Company whose Additional Payment Request Deadline falls after the date of the Final Hearing, the Debtor will request a hearing before the Court at the next omnibus hearing date scheduled in this Chapter 11 Case (a "Determination Hearing") to determine (x) if additional assurance to such Utility Company is necessary and, if so, (y) the nature and amount of the adequate assurance to such Utility Company.

- g. Pending resolution of a Utility Company's Additional Payment Request at the Final Hearing or a Determination Hearing, as the case may be, such Utility Company shall be prohibited from altering, refusing, or discontinuing service to the Debtor.
 - h. If a Utility Company fails to send an Additional Payment Request by the applicable Additional Payment Request Deadline, such Utility Company shall have waived its right to make an Additional Payment Request and shall be deemed to have received adequate assurance of payment in accordance with section 366(c)(1)(A)(vi) of the Bankruptcy Code by virtue of the Adequate Assurance Deposit.
 - i. A Utility Company shall be deemed to have received adequate assurance of payment unless and until a future order of this Court is entered requiring further adequate assurance of payment.
19. The Debtor requests that a final hearing on this Motion be held within twenty-five (25) days of the Petition Date to ensure that, if a Utility Company argues it can unilaterally refuse service to the Debtor on the 31st day after the Petition Date, the Debtor will have the opportunity, to the extent necessary, to request that the Court make such modifications to the Procedures in time to avoid any potential termination of Utility Services.

BASIS FOR RELIEF REQUESTED

20. This Court has the authority to grant the relief requested herein pursuant to sections 105(a) and 366(a) of the Bankruptcy Code.

21. Section 366 of the Bankruptcy Code is designed to protect the Debtor from utility service cutoffs, while also providing utility companies with adequate assurance that the Debtor will be able to pay for post-petition services.³

22. Specifically, section 366(a) of the Bankruptcy Code prohibits utilities from altering, refusing, or discontinuing service to a debtor for the first thirty (30) days of a bankruptcy case (the “Utilities Stay Period”) solely because of the commencement of the Chapter 11 Case or because of unpaid pre-petition amounts. Upon expiration of the Utilities Stay Period, however, section 366(b) of the Bankruptcy Code provides that a utility company may (but need not) terminate services if a debtor has not provided such utility with adequate assurance of payment for post-petition services in a form “satisfactory” to the utility within twenty (20) days of the Petition Date.

23. Section 366(c)(1)(A) of the Bankruptcy Code, as amended by the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 (“BAPCPA”), provides that the phrase “adequate assurance of payment” means (i) a cash deposit; (ii) a letter of credit; (iii) a certificate of deposit; (iv) a surety bond; (v) a prepayment of utility consumption; or (vi) another form of security that is mutually agreed on between the utility and the debtor or the trustee.

24. The Court may, pursuant to section 105(a) of the Bankruptcy Code, “issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.” The purpose of section 105(a) is “to assure the bankruptcy courts power to take whatever action is appropriate or necessary in aid of the exercise of their jurisdiction.”⁴ The Debtor

³ See H.R. Rep. No. 95-595, at 350 (1978) *as reprinted in* 1978 U.S.C.C.A.N. 5963, 6306.

⁴ 2 *Collier on Bankruptcy* ¶ 105.01, at 105-06 (15th ed. Rev. 2004).

submits that the Court should use its section 105(a) powers in this Chapter 11 Case because the relief requested herein is necessary to enable the Debtor to continue its normal business operations and to preserve the Debtor's business during the Chapter 11 Case.

25. The relief requested herein is necessary because the Debtor could face an unnecessary cash drain if the Utility Companies condition the provision of post-petition services to the Debtor upon the payment of exorbitantly burdensome and/or unreasonable deposits, or other forms of adequate assurance.

26. Although section 366(c)(1)(A) of the Bankruptcy Code, as amended by BAPCPA, now specifies the form of assurance that will be deemed adequate, it leaves the issue of the amount of adequate assurance that must be provided squarely within this Court's discretion.

27. Leaving the determination of the amount of adequate assurance that a debtor must provide in the discretion of the Court conforms with the pre-BAPCPA case law, pursuant to which courts generally looked to the facts and circumstances of each case to ensure that utility companies were not made subject to an unreasonable risk of nonpayment for post-petition services.⁵ Courts construing section 366(b) of the Bankruptcy Code have long recognized that adequate assurance of payment does not constitute an absolute guaranty of a debtor's ability to pay.⁶

⁵ See, e.g., *In re Keydata Corp.*, 12 B.R. 156, 158 (1st Cir. BAP 1981).

⁶ See, e.g., *In re Caldor, Inc.*- NY, 199 B.R. 1, 3 (S.D.N.Y. 1996) ("[section] 366(b) requires [a] Bankruptcy Court to determine whether the circumstances are sufficient to provide a utility with 'adequate assurance' of payment. The statute does not require an 'absolute guaranty of payment.'"), *aff'd sub nom. Va. Elec. & Power Co. v. Caldor Inc.*- N.Y., 117 F.3d 646, 650 (2d Cir. 1997) ("Even assuming that 'other security' should be interpreted narrowly,...a bankruptcy court's authority to 'modify' the level of the 'deposit or other security' provided for under section 366(b), includes the power to require 'no deposit or other security' where none is necessary to provide a utility supplier with 'adequate assurance of payment'" (citation omitted); *In re Penn Jersey Corp.*, 72 B.R. 981, 982 (Bankr. E.D. Pa. 1987) (stating that section 366(b) of the Bankruptcy Code

28. Further, courts have recognized that, in determining what constitutes “adequate” assurance, a bankruptcy court must “focus upon the need of the utility for assurance, and...require that the debtor supply no more than that, since the debtor almost performe has a conflicting need to conserve scarce financial resources.”⁷

29. As set forth above, if the Utility Companies are permitted to terminate utility services on or after the 30th day following the Petition Date, a substantial disruption to the Debtor’s operations will occur, and the Debtor’s business will be irreparably harmed. If faced with imminent termination of utility services, the Debtor would then be forced to pay whatever amounts are demanded by the Utility Companies to avoid the cessation of essential utility services and detrimental impact on its business.

30. The Debtor submits that the Procedures set forth herein provide an orderly process for providing adequate assurance of payment to the Utility Companies, without risking irreparable harm to the Debtor’s estate.

31. Because the fundamental nature of section 366 has not been changed by BAPCPA – namely, the Court continues to have the discretion to modify any request for adequate assurance of payment and the assurance of payment still need only be adequate in light of the facts and circumstances of a given case – the Procedures outlined herein to provide adequate assurance are similar to those approved by court prior to BAPCAP. However, in accordance with section 366(c)(3)(A) of the Bankruptcy Code, the Debtor will provide additional assurance

“contemplates that a utility receive only such assurance of payment as is sufficient to protect its interests given the facts of the Debtor’s financial circumstances...”).

⁷ *Virginia Elec. & Power Co. v. Caldor, Inc.-NY*, 117 F.3d 646, 650 (2d. Cir. 1997) (quoting *Penn Jersey*, 72 B.R. at 985).

of payment to a Utility Company according to the Procedures set forth above, if said Utility Company makes a timely Additional Payment Request and if said Additional Payment Request is either considered reasonable by the Debtor, or is deemed necessary by the Court after consideration at the Final Hearing or a Determination Hearing, as the case may be.

32. Without the Procedures set forth herein, the Debtor could be forced to address numerous requests by various and sundry Utility Companies in a haphazard manner at a critical juncture – precisely at the point where the Debtor is trying to navigate through this Chapter 11 Case. Without the relief requested herein, the Debtor could be forced to capitulate to almost any demands made by the Utility Companies, or face the possible discontinuation of utility services to its stores and a potential shutdown of its business. The orderly process contemplated by the Procedures set forth herein will avert such a potentially disastrous outcome, enabling the Debtor to make a smooth transition into and out of chapter 11, while ensuring a fair process for providing adequate assurance to the Utility Companies to the extent required by law.⁸

33. Accordingly, based on the foregoing facts and authorities, the Debtor believes that granting the relief requested herein will not prejudice the rights of the Utility Companies under section 366 of the Bankruptcy Code.

RESERVATION OF RIGHTS

34. Nothing contained herein is intended or shall be construed as (i) an admission by the Debtor as to the validity of any claim against the Debtor, (ii) a waiver of the Debtor's or any party-in-interest's right to dispute any claims, (iii) an approval or assumption of any agreement

⁸ See *Long Island Lighting Co. v. Great Atlantic & Pacific Tea Co., Inc. (In re The Great Atlantic & Pacific Tea Co., Inc.)*, 2011 WL 5546954 at *6 (S.D.N.Y. Nov. 14, 2011) (affirming bankruptcy court's decision to permit debtor to set aside cash deposit in the equivalent amount of two-weeks' worth of utility services).

with a Utility Company under section 365 of the Bankruptcy Code, or (iv) an admission by the Debtor that any entity referenced as a Utility Company is a “utility” within the meaning of section 366(a) of the Bankruptcy Code. Likewise, if this Court grants the relief sought herein, any payment made pursuant to the Order is not intended and should not be construed as an admission as to the validity of any claim or a waiver of the Debtor’s rights to dispute such a claim at a later date.

CONCLUSION

WHEREFORE, pursuant to 11 U.S.C. §§ 105(a) and 366, the Debtor respectfully requests the entry of an Order (i) prohibiting utility companies from discontinuing, altering, or refusing service to the Debtor on account of pre-petition invoices, (ii) approving the Debtor’s proposed form of adequate assurance of future payment, (iii) establishing procedures for resolving requests for additional adequate assurance and (iv) scheduling a final hearing. The Debtor also requests such other relief as is just and proper.

DATED this 12th day of September, 2014.

DORSEY & WHITNEY LLP

/s/ Annette W. Jarvis

Annette W. Jarvis

Peggy Hunt

Michael F. Thomson

Jeffrey M. Armington

Proposed Attorneys for Debtor Naartjie

Custom Kids, Inc.

EXHIBIT A

Utility Company	Address	Address 2	City	State	Postal Code	Type of Service
ALL STATES SERVICES	PO BOX 94258		LAS VEGAS	NV	89193	WASTE
AMEREN	PO BOX 66529		ST. LOUIS	MO	63166-6529	ELECTRIC
APS	PO BOX 2906		PHOENIX	AZ	85062-2906	ELECTRIC
AT&T U-VERSE	P.O. BOX 5014		CAROL STREAM	IL	60197-5014	INTERNET
BGE ELECTRICTRIC	P.O. BOX 13070		PHILADELPHIA	PA	19101-3070	ELECTRIC
BLUEBONNET ELECTRICTRIC COOP	P O BOX 240		GIDDINGS	TX	78942-0240	ELECTRIC
B-P TRUCKING	PO BOX 386		ASHLAND	MA	1721	WASTE
CENTURYLINK	PO BOX 52187		PHOENIX	AZ	85072-2187	INTERNET
CITY OF GREENBORO	PO BOX 26118		GREENSBORO	NC	27402-6118	WATER
CITY OF PALO ALTO UTILITIES	PO BOX 7026		SAN FRANCISCO	CA	94120-7026	ELECTRIC & GAS
CITY OF RANCHO CUCAMONGA	MUNICIPAL UTILITY	PO BOX 4499	RANCHO CUCAMONGA	CA	91729-4499	ELECTRIC
CITY OF ROSEVILLE	PO BOX 45807		SAN FRANCISCO	CA	94145-0807	ELECTRIC
COMED	PO BOX 6111		CAROL STREAM	IL	00197-0111	ELECTRIC
CPS ENERGY	PO BOX 2678		SAN ANTONIO	TX	78289-0001	ELECTRIC
DUKE ENERGY	P.O. BOX 70516		CHARLOTTE	NC	28272-0516	ELECTRIC
GEORGIA POWER	96 ANNEX		ATLANTA	GA	30396-	ELECTRIC

Utility Company	Address	Address 2	City	State	Postal Code	Type of Service
					00001	
IEM	24516 NETWORK PLACE		CHICAGO	IL	60673-1245	WASTE
INETZ MEDIA GROUP	1055 EAST 3900 SOUTH		SALT LAKE CITY	UT	84124	WEB HOSTING
INFINITE ENERGY	PO BOX 105247		ATLANTA	GA	30348-5247	GAS
KETER ENVIRONMENTAL SERVICES, INC.	PO BOX 417468		BOSTON	MA	02241-7468	WASTE
LG & E	PO BOX 9001960		LOUISVILLE	KY	40290-1960	ELECTRIC
LOS ANGELES DEPT OF WATER & POWER	PO BOX 30808		LOS ANGELES	CA	90030-0808	ELECTRIC
LYNWOOD UTILITIES	CITY OF LYNNWOOD	PO BOX 5008	LYNNWOOD	WA	98046-5008	WATER
MOUNTAIN ALARM	DEPT. 212	PO BOX 30015	SALT LAKE CITY	UT	84130	SECURITY
NATIONAL GRID	PO BOX 9037		HICKSVILLE	NY	11802-9037	GAS
NSTAR	PO BOX 660369		DALLAS	TX	75266-0369	ELECTRIC
NW NATURAL	PO BOX 6017		PORTLAND	OR	97228-6017	GAS
OG&E	PO BOX 24990		OKLAHOMA CITY	OK	73124-0990	ELECTRIC
OKLAHOMA NATURAL GAS CO	PO BOX 219296		KANSAS CITY	MO	64121-9296	GAS
OLYMPIC III MALL	P.O.BOX 55287		HOUSTON	TX	77255-	WASTE

Utility Company	Address	Address 2	City	State	Postal Code	Type of Service
SERVICES					5287	
PEPCO	PO BOX 13608		PHILADELPHIA	PA	19101	ELECTRIC
PG&E	BOX 997300		SACRAMENTO	CA	95899-7300	ELECTRIC
PIEDMONT NATURAL GAS	P O BOX 660920		DALLAS	TX	75266-0920	GAS
PORTLAND GENERAL	PO BOX 4438		PORTLAND	OR	97208-4438	ELECTRIC
PSE&G CO.	PO BOX 14444		NEW BRUNSWICK	NJ	08906-4444	ELECTRIC
PSEG LONG ISLAND	LONG ISLAND POWER AUTHORITY (LIPA)	PO BOX 9039	HICKSVILLE	NY	11802-9039	ELECTRIC
PUGET SOUND ENERGY	PO BOX 91269		BELLEVUE	WA	98009-9269	ELECTRIC
PHSI PURE WATER FINANCE, INC.	PO BOX 404582		ATLANTA	GA	30384-4582	WATER
QUEST RESOURCE MGNT GROUP	MSC 30081	PO BOX 415000	NASHVILLE	TN	37241-5000	WASTE
QUESTAR GAS	P.O. BOX 45841		SALT LAKE CITY	UT	84139-0001	GAS
RELIANT ENERGY	PO BOX 650475		DALLAS	TX	75265-0475	ELECTRIC
ROCKY MOUNTAIN POWER	PO BOX 26000		PORTLAND	OR	97256-0001	ELECTRIC
SAN DIEGO GAS & ELECTRICTRIC	SDGE	P.O. BOX 25111	SANTA ANA	CA	92799-5111	ELECTRIC
SANTEE COOPER	PO BOX 188		MONCKS CORNER	SC	29461	ELECTRIC
SEVIER COUNTY	PO BOX 4870		SEVIERVILLE	TN	37864	ELECTRIC

Utility Company	Address	Address 2	City	State	Postal Code	Type of Service
ELECTRIC TRIC SYSTEM						
SEVIER COUNTY UTILITY DISTRICT	DEPARTMENT 1340	PO BOX 2153	BIRMINGHAM	AL	35287-1340	GAS
SNOHOMISH COUNTY PUD	PO BOX 1100		EVERETT	WA	98206-1100	ELECTRIC
SOUTHERN CALIFORNIA EDISON	P.O. BOX 300		ROSEMEAD	CA	91772-0001	ELECTRIC
SPRINT INTERNET 5 UTC #07 & MV#09	PO BOX 6419		CAROL STREAM	IL	60197-6419	INTERNET
SPRINT - INTERNET ANTHEM	PO BOX 79357		CITY OF INDUSTRY	CA	91716-9357	
SUSTAINABLE SOLUTIONS GROUP INC.	DEPT 40299	PO BOX 740209	ATLANTA	GA	30374-0209	WASTE
SUPERIOR WATER & AIR	3536 S. 1950 W.		SALT LAKE CITY	UT	84119	WATER
SUSTAINABLE SOLUTIONS GROUP INC.	DEPT 40299	PO BOX 740209	ATLANTA	GA	30374-0209	WASTE
TXU ENERGY	PO BOX 650638	ACCT # 100012027677	DALLAS	TX	75265-0638	ELECTRIC
YES ENERGY	7751 BELFORT PARKWAY, SUITE 300		JACKSONVILLE	FL	32256	ELECTRIC
YES ENERGY	7751 BELFORT PARKWAY, SUITE 300		JACKSONVILLE	FL	32256	WATER

EXHIBIT B

ADEQUATE ASSURANCE DEPOSIT ACCOUNT PAYMENT REQUEST

Wells Fargo Bank, N.A.

Re: Naartjie Custom Kids, Inc. ("**Naartjie**") Adequate Assurance Deposit (the "**Adequate Assurance Deposit**")

The undersigned (the "**Beneficiary**") hereby certifies to Naartjie that:

- a. The Beneficiary is making a request for payment in lawful currency of the United States of America from the Adequate Assurance Deposit in the amount of \$_____.
- b. The Beneficiary certifies that the Debtor defaulted (a "**Default**") in the payment of post-petition utility services that were payable in accordance with normal pre-petition invoice terms and amounts on account of such post-petition utility services are due, outstanding, and unpaid.
- c. The Beneficiary hereby certifies that it is owed \$_____ for post-petition utility services provided to Naartjie.
- d. The Beneficiary hereby certifies that the amount requested is not and does not relate to an Additional Payment Request.
- e. The Beneficiary certifies that it (a) provided the Debtor with written notice of a Default which written notice is attached hereto, (b) provided the Debtor with five (5) days to cure any such Default, (c) and that the Debtor has failed to cure such Default.
- f. The Beneficiary is entitled to payment of funds reserved through the Adequate Assurance Deposit pursuant to the *Order (I) Prohibiting Utility Companies from Discontinuing, Altering or Refusing Service on Account of Pre-petition Invoices, (II) Deeming Utility Companies to have Adequate Assurance of Future Payment, and (III) Establishing Procedures for Resolving Requests for Additional Assurance*, entered by the United States Bankruptcy Court for the District of Utah in the Chapter 11 Case of Naartjie Custom Kids, Inc. Case No. 14-_____ on _____, 2014.

Please transfer the proceeds of the payment to the following account of the Beneficiary at the financial institution indicated below:

IN WITNESS WHEREOF, the undersigned has duly executed and delivered this Payment Request as of the ____ day of _____, 2014.

[UTILITY]

By: _____

Print Name & Title

cc:

Naartjie Custom Kids, Inc.

and

Dorsey & Whitney, LLP
136 South Main Street, Suite 1000
Salt Lake City, Utah 84101
Attn: Annette Jarvis, Esq.